Quatt Malvern Parish Council, 31st March 2020

ITEM	Income	Expenditure
Balances b/f	12053.56	
Precept	5930	0
Clerks Salary		1831.92
PAYE Income Tax		456.00
Travel Expenses		87.10
Telephone / Internet		120.00
Postage		
Stationery		18.00
Computer S/W Licences		
Computer consumables		
Councillors expenses		
Seminar fees		
Council Room hire		175.00
Parish meeting		
Insurance		193.49
Audit fees		60.00
External Audit Fee		
Village gateways		
Community led Plan		155.97
GRANT / DONATIONS:		
Quatt Cricket Club		
Contingency		
Quatt Bell Ringers		
Village Hall Grants		
SECTION 137: [£1542]		
P.C.C. St. Andrews		
Churchyard Grass Cutting		60.00
Remembrance Wreath		150.00
Other 137 / Contingency		200.00
Smartwater		90.00
Shropshire MIND		200.00
SUBSCRIPTIONS:		
SALC		141.38
Publications		
Mobile Library		
MISCELLANEOUS:		
Notice Boards		
Election Expenses		200
Advertising / Publicity		
Grass cutting / maintenance		
Pedestrian Refuge		
Registration with I.C.O		40.00
Bank Interest	29.19	
VAT Refund	46.21	
Works to BOAT		1000
	18058.96	5178.86
Transfer to Balances		12880.1
	5178.86	5178.86

Signed WILLIAM STEFFAN GRIFFITHS, Clerk and Responsible Financial Officer 23.04.2020

W.S. Griffiths

Certificate of Exemption – AGAR 2019/20 Part 2

To be completed by smaller authorities where the higher of gross income or gross expenditure did not exceed £25,000 in the year of account ended 31 March 2020, and that wish to certify themselves as exempt from a limited assurance review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015

There is no requirement to have a limited assurance review or to submit an Annual Governance and Accountability Return to the external auditor, **provided** that the authority has certified itself as exempt at a meeting of the authority after 31 March 2020 and a completed Certificate of Exemption is submitted no later than 30 June 2020 notifying the external auditor.

QUATT MALVERN PARISH COUNCIL

certifies that during the financial year 2019/20, the higher of the authority's total gross income for the year **or** total gross annual expenditure, for the year did not exceed **£25,000**

Total annual gross income for the authority 2019/20:	£6,005
Total annual gross expenditure for the authority 2019/20:	£5,179

There are certain circumstances in which an authority will be **unable to certify itself as exempt,** so that a limited assurance review will still be required. If an authority **is unable to confirm the statements below then it cannot certify itself as exempt** and it **must** submit the completed Annual Governance and Accountability Return Part 3 to the external auditor to undertake a limited assurance review for which a fee of **£200 +VAT** will be payable.

By signing this **Certificate of Exemption** you are confirming that:

- The authority was in existence on 1st April 2016
- In relation to the preceding financial year (2018/19), the external auditor **has not:**
  - issued a public interest report in respect of the authority or any entity connected with it
  - made a statutory recommendation to the authority, relating to the authority or any entity connected with it
  - issued an advisory notice under paragraph 1(1) of Schedule 8 to the Local Audit and Accountability Act 2014 ("the Act"), and has not withdrawn the notice
  - commenced judicial review proceedings under section 31(1) of the Act
  - made an application under section 28(1) of the Act for a declaration that an item of account is unlawful, and the application has not been withdrawn nor has the court refused to make the declaration
- The court has not declared an item of account unlawful after a person made an appeal under section 28(3) of the Act.

If you are able to confirm that the above statements apply and that the authority neither received gross income, nor incurred gross expenditure, exceeding £25,000, then the Certificate of Exemption can be signed and a copy submitted to the external auditor **either** by email **or** by post (not both).

The Annual Internal Audit Report, Annual Governance Statement, Accounting Statements, an analysis of variances and the bank reconciliation plus the information required by Regulation 15 (2), Accounts and Audit Regulations 2015 including the period for the exercise of public rights still need to be fully completed and, along with a copy of this certificate, published on a public website* before 1 July 2020. **By signing this certificate you are also confirming that you are aware of this requirement.**

Signed by the Responsible Financial Officer	Date	I confirm that this Certificate of Exemption was approved by this authority on this date:
SIGNATURE REQUIRED	DD/MM/YYYY	DD/MM/YYYY
Signed by Chairman	Date	as recorded in minute reference:
SIGNATURE REQUIRED	DD/MM/YYYY	ENTER MINUTE REFERENCE

Email of Authority

AUTHORITY EMAIL ADDRESS REQUIRED

Telephone number

TELEPHONE NUMBER

*Published web address

PUBLISHED WEBSITE ADDRESS

ONLY this Certificate of Exemption should be returned EITHER by email OR by post (not both) as soon as possible after certification to your external auditor, but no later than 30 June 2020. Reminder letters incur a charge of £40 +VAT

Annual Internal Audit Report 2019/20

QUATT MALVERN PARISH COUNCIL

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2020.

The internal audit for 2019/20 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")*			✓
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		

M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken: 15 JUNE 2020

Name of person who carried out the internal audit: STEPHEN JONES

Signature of person who carried out the internal audit: S Jones

Date: 15 JUNE 2020.

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Steve Jones

Business Consultant
72 Manor Avenue South, Kidderminster, Worcs DY11 6DG
01562 753828 – st5v5jon5s@gmail.com

W Griffiths
Quatt Malvern Parish Council
9 Stretton Close
Bridgnorth
WV16 5DB

Your Ref:
Our Ref:

16 June 2020

Dear Bill

Annual Examination

I am pleased to advise that there were no issues to report following this year's examination – well done and thank you for presenting the information in a manner which facilitates the work I need to do.

I think my only comment/advice would be to perhaps review your Risk Assessments and consider the inclusion of a provision if face to face meetings are not possible. A 'zoom' type service may be suitable although I guess this will also require an amendment to your Standing Orders.

Once again, many thanks for your help.

With kind regards,

Yours sincerely

Steve Jones
Business Consultant

Bank Reconciliation Quatt Malvern Parish Council Financial Year Ending 31 March 2020

Prepared By William Steffan Griffiths, Clerk and Responsible Financial Officer 13th April 2020

Balance as per Bank Statements at 31 March 2019

Community Account: -£518.77

Business Money Manager Account: £12,361.33
Cash in hand: N/A
Unbanked Cash at 31.03.2020 NIL

Less Unpresented Cheques as at 31 March 2020

NIL

Balances as at 31st March 2020 £12,880.10

Reconcile to the cash book (Receipts and Payments Account) as follows:

Cash Book	
Opening balance 1st April 2019	£12,053.56
+Receipts in the Year	£ 6,005.40
Less Payments in the year	£ 5.178.86

Closing balance per cash book as at 31st March 2020 **£12,880.10**

Signed WSGriffiths. Date 31.03.2020.

.....Agreed
Internal Auditor Date.....

Section 2 – Accounting Statements 2019/20 for

QUATT MALVERN PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	*Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.*
1. Balances brought forward	9,236	12,054	*Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.*
2. (+) Precept or Rates and Levies	5,930	5,930	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	696	75	*Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.*
4. (-) Staff costs	2,309	2,288	*Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.*
5. (-) Loan interest/capital repayments	0	0	*Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).*
6. (-) All other payments	1,499	2,891	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	12,054	12,880	*Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).*

8. Total value of cash and short term investments	12,054	12,880	*The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – **To agree with bank reconciliation.***
9. Total fixed assets plus long term investments and assets	3,451	3,451	*The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.*
10. Total borrowings	0	0	*The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).*

11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	*The Council as a body corporate acts as sole trustee for and is responsible for managing Trust funds or assets.*
		✓	*N.B. The figures in the accounting statements above do not include any Trust transactions.*

I certify that for the year ended 31 March 2020 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date DD/MM/YYYY

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chairman of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Explanation of variances – pro forma

Name of smaller authority: QUATT MALVERN PARISH COUNCIL

County area (local councils and parish meetings only):

Insert figures from Section 2 of the AGAR in all Blue highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	20xx/xx £	20xx/xx £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	9,236	12,054				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	5,930	5,930	0	0.00%	NO		
3 Total Other Receipts	696	75	-621	89.22%	YES	See attached schedule	
4 Staff Costs	2,309	2,288	-21	0.91%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	1,499	2,891	1,392	92.86%	YES	See attached schedule	
7 Balances Carried Forward	12,054	12,880				VARIANCE EXPLANATION NOT REQUIRED	
					YES	EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	
8 Total Cash and Short Term Investments	12,054	12,880				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	3,451	3,451	0	0.00%	NO		
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

Explanation for 'high' reserves

(Please complete the highlighted boxes.)

Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
Earmarked reserves:			
Reserve 1	5000		
Reserve 2	2000		
Reserve 3			
Reserve 4			
Reserve 5			
Reserve 6			
Reserve 7			
		7000	
General reserve	5880		
		5880	
Total reserves (must agree to Box 7)			**12880**

Quatt Malvern Parish Council Schedule of Explanation of Significant Variations

Box 3 Other Receipts

2018/19	2019/20
696	75 < 621 (89%)

The receipts for these years comprise as follows:

+ 679 VAT Refund	+ 46 VAT Refund
+ 17 Bank Interest	+ 29 Bank Interest
= 696	= 75

The unusually high VAT refund in 2018/19 arose through the purchase of the following items in 2017/18 , the VAT on which (shown in brackets) was reclaimed in 2018/19:

A new village noticeboard (305) repairs to Church Clock (91) works to repair the village bus shelter (155) and purchase of a new computer and ancillary equipment (88) TOTAL 639.

Box 6 All Other Payments

2018/19	2019/20
1499	2891 > 1392 (93%)

In 2019/20, the following extra one off expenses were incurred:

	1000 Contribution to works at the BOAT
	(Byeway open to all traffic)
+	156 Costs of Community Led Plan
+	210 Donation to Shropshire MIND
=	1366

Disregarding these items., there is no significant variation between the years.

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

QUATT MALVERN PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2020, that:

	Agreed		'Yes' means that this authority:
	Yes	No	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			*prepared its accounting statements in accordance with the Accounts and Audit Regulations.*
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			*made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.*
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.			*has only done what it has the legal power to do and has complied with Proper Practices in doing so.*
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.			*during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.*
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.			*considered and documented the financial and other risks it faces and dealt with them properly.*
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			*arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.*
7. We took appropriate action on all matters raised in reports from internal and external audit.			*responded to matters brought to its attention by internal and external audit.*
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.			*disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.*

	Yes	No	N/A	
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.				*has met all of its responsibilities where as a body corporate it is a sole managing trustee of a local trust or trusts.*

*For any statement to which the response is 'no', an explanation must be published

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman SIGN AUTHENTICATED DOCUMENT

Clerk SIGN AUTHENTICATED DOCUMENT